GOVERNMENT OF KERALA

Abstract

PWD - Time of Completion of works and Penalties/Liquidate Damages - Provisions in the Kerala Public Works Department Manual & Standard Bid Document - Modified - Orders issued.

PUBLIC WORKS(H)DEPARTMENT

G.O.(Ms)No.21/2024/PWD Dated,Thiruvananthapuram, 02-04-2024

Read: 1. G.O(P)No.13/2012/PWD dated 01.02.2012

2. G.O(P)No.3/2017/PWD dated 09.08.2017

3. Letter No.CEPWD/9127/2021/Admn/PLA dated 24.09.2022 from the Chief Engineer(Administration), PWD.

ORDER

In clause 2112.1 o f the Govt. Order read 1st paper above(Kerala PWD Manual), the fines for extension of time of completion of work is stipulated as follows:

Period	***Rate of Fine***
First Extension	*1% of the PAC subject to a minimum of Rs.1000/- and maximum of Rs.50,000/-*
Beyond First Extension	*2% of the PAC subject to the a minimum of Rs.2000/- and maximum of Rs.1,00,000/-*

Clause 2116.1 of the KPWD Manual is as follows:

"If the contractor fails to maintain the required progress as per conditions of contractor to complete the work and clear the site on or before the contract or extended date of completion, he shall, without prejudice to any other right or remedy available under the law to the Employer on account of such breach, pay to the employer as liquidated damages an amount calculated 0.1% of the

contract price of the work for every work of delay subject to a maximum of 10% of the contract price."

2) As per clause 15.2 of the Govt.Order read 2 nd paper above (Standard Bid Document),

The Agreement Authority if satisfied , that the work can be completed by the Contractor within a reasonable time after the specified time of completion, may allow further extension of time at its discretion as per clause 19. In the event of extension granted being with Liquidated Damages, the Employer will be entitled without prejudice to any other right or remedy available in that behalf, to recover from the Contractor as agreed damages equivalent to 1(one)% of the contract price per week of delay or part thereof.

3) As there exis ts a disparity in the above two clauses Govt. have called for proposal from the Chief Engineer(Admn), PWD. The proposal submitted by the Chief Engineer(Admn), as per letter read above has been examined in detail. In order to have more clarity and also to ensure timely completion of the works, Govt. are pleased to modify the provisions *of* KPWD Manual and Standard Bid Document(SBD) as follows:

(i) Penalties @ 0.1% of the agreed Probable Amount of Contract (PAC) shall be imposed as liquidated damages for the delay for each week beyond the scheduled date of completion subject to a maximum of 10% of the agreed PAC for the reasons attributable to the contractor.

(ii) Maximum extension for time of completion that can be granted for a work by the Agreement Authority without any penalty shall be limited to the half of the original ToC.

Prior approval of next higher authority is required for granting time extension

without penalty beyond half of the original ToC. ToC shall be calculated using technically available tools like Bar chart, Gant chart, Critical Path Method, etc. The mile stones and liquidated damages shall be fixed based on this.

4) The Chief Engineer(Administration), PWD shall make necessary modification in KPWD Manual and SBD accordingly.

(By order of the Governor)
K BIJU I A S
SECRETARY

To

All the Chief Engineers, PWD,Thiruvananthapuram

The CEO, KRFB, Thiruvananthapuram

The PD, PMU-KRFB, Thiruvananthapuram

The Managing Director, RBDCK/RICK Ltd./KSCC

The Principal Accountant General (Audit), Kerala,Thiruvananthapuram.

The Finance Department (I&PW-B2/47/2022-FIN dated 22.03.2023)

The Local Self Govt Department (U.O File No.LSGD-AC2/223/2015)

The Water Resources Department

The I&PR(Web&New Media)Department

Stock File/Office Copy(H3/67/2021/PWD)

Forwarded /By order,

Section Officer.